

THE SURVEY OF LAW FIRM ECONOMICS, 2005 EDITION

Metropolitan Area Report
for

Philadelphia, PA-NJ

Conducted by
ALTMAN WEIL, INC.
CONSULTANTS TO THE LEGAL PROFESSION

Published by
ALTMAN WEIL • PUBLICATIONS, INC.
Two Campus Boulevard, Suite 200
Newtown Square, PA 19073
(888) 782-7297, toll free in the U.S.
(610) 886-2025

Visit our website: <http://www.altmanweil.com>
Shop our on-line store: <https://store.altmanweil.com>

Authorization to photocopy information contained in this survey for the internal or personal use of the purchaser, or the internal or personal use of specific individuals in the purchaser's organization, or for use in court proceedings and arbitrations, is granted by Altman Weil Publications, Inc., provided that the source and Altman Weil Publications, Inc. copyright is noted on the reproduction. Copying for purposes other than internal or personal reference or court/arbitration proceedings requires the express permission of Altman Weil Publications, Inc. For permission, contact Dan Dilucchio at Altman Weil Publications, Inc., Two Campus Boulevard, Suite 200, Newtown Square, PA 19073.

COPYRIGHT © 2005, ALTMAN WEIL • PUBLICATIONS, INC., NEWTOWN SQUARE, PA 19073

**METROPOLITAN AREA--Philadelphia, PA-NJ
GROSS RECEIPTS, EXPENSES AND INCOME
AVERAGE PER LAWYER**

Metro Analysis		Average Gross Receipts \$	Average Total Expense \$	Average Total Expense %*	Average Firm Income \$	Average Firm Income %*	
ALL FIRMS	Firms	5	367,102	151,554	41.3	215,548	58.7

*Percent of Gross Receipts

**METROPOLITAN AREA--Philadelphia, PA-NJ
DETAILED EXPENSES
AVERAGE PER LAWYER**

Metro Analysis	Paralegal Expense \$	Paralegal Expense %*	Staff Expense \$	Staff Expense %*	Occupancy Expense \$	Occupancy Expense %*	Equipment Expense \$	Equipment Expense %*
ALL FIRMS	13,110	3.6	58,669	16.0	21,684	5.9	12,522	3.4

*Percent of Gross Receipts

**METROPOLITAN AREA--Philadelphia, PA-NJ
DETAILED EXPENSES
AVERAGE PER LAWYER**

Metro Analysis	Reference Expense \$	Reference Expense %*	Promotional Expense \$	Promotional Expense %*	Other Expense** \$	Other Expense** %*	Total Expense \$	Total Expense %*
ALL FIRMS	5,170	1.4	9,201	2.5	31,198	8.5	151,554	41.3

*Percent of Gross Receipts

**Includes malpractice insurance premiums and settlements, payments to former partners, all other expenses not shown separately.

**METROPOLITAN AREA-Philadelphia, PA-NJ
INDIVIDUAL STATUS CODES
STANDARD HOURLY BILLING RATES
As of January 1, 2005**

Metro Analysis	Number of Offices	RATE					
		Number of Lawyers	Average \$	Lower Quartile \$	Median \$	Upper Quartile \$	Ninth Decile \$
Equity Partner/Shareholder	14	150	336	290	340	395	415
Non-Equity Partner	13	87	278	240	295	330	363
Associate Lawyer	14	220	190	155	185	220	260
Of Counsel	7	15	306	-	300	-	-

**METROPOLITAN AREA-Philadelphia, PA-NJ
YEAR ADMITTED TO BAR
STANDARD HOURLY BILLING RATES
As of January 1, 2005**

Metro Analysis	Number of Offices	RATE					
		Number of Lawyers	Average \$	Lower Quartile \$	Median \$	Upper Quartile \$	Ninth Decile \$
1962 - 1966	5	14	400	-	405	-	-
1967 - 1971	8	16	361	-	360	-	-
1972 - 1976	9	36	346	295	345	400	418
1977 - 1981	11	41	323	288	325	388	400
1982 - 1986	13	51	306	255	310	360	395
1987 - 1991	13	62	271	240	285	330	349
1992 - 1996	13	78	237	199	248	286	325
1997 - 2001	13	107	188	165	190	210	250
2002	8	22	167	155	173	180	190
2003	5	24	161	150	163	175	178
2004	5	10	143	-	-	-	-

METROPOLITAN AREA-Philadelphia, PA-NJ
YEARS OF LEGAL EXPERIENCE
STANDARD HOURLY BILLING RATES
As of January 1, 2005

Metro Analysis	Number of Offices	RATE					
		Number of Lawyers	Average \$	Lower Quartile \$	Median \$	Upper Quartile \$	Ninth Decile \$
Under 2 Years	7	35	156	150	160	175	175
2 or 3 Years	11	47	167	150	170	185	195
4 or 5 Years	9	48	185	166	190	214	235
6 or 7 Years	12	34	207	185	198	239	268
8 to 10 Years	11	47	232	200	235	275	312
11 to 15 Years	11	70	255	215	270	321	340
16 to 20 Years	14	58	292	255	285	350	390
21 to 30 Years	11	78	333	290	338	391	411
31 or More Years	10	47	359	305	370	410	487

**METROPOLITAN AREA-Philadelphia, PA-NJ
INDIVIDUAL STATUS CODES
ANNUAL CLIENT (BILLABLE) HOURS WORKED**

Metro Analysis	Number of Offices	HOURS					
		Number of Lawyers	Average	Lower Quartile	Median	Upper Quartile	Ninth Decile
Equity Partner/Shareholder	13	128	1,764	1,604	1,728	1,905	2,116
Non-Equity Partner	13	63	1,841	1,647	1,808	1,985	2,345
Associate Lawyer	12	138	1,866	1,779	1,909	2,039	2,217

**METROPOLITAN AREA-Philadelphia, PA-NJ
YEAR ADMITTED TO BAR-Partners/Shareholders (Equity/Non-Equity)
ANNUAL CLIENT (BILLABLE) HOURS WORKED**

Metro Analysis	Number of Offices	HOURS					
		Number of Lawyers	Average	Lower Quartile	Median	Upper Quartile	Ninth Decile
1967 - 1971	7	11	1,676	--	1,553	--	--
1972 - 1976	8	28	1,636	1,507	1,636	1,876	1,956
1977 - 1981	9	29	1,778	1,583	1,737	1,888	2,229
1982 - 1986	13	40	1,846	1,641	1,770	1,975	2,539
1987 - 1991	11	48	1,884	1,705	1,867	2,075	2,334
1992 - 1996	10	24	1,865	1,683	1,827	2,015	2,186

**METROPOLITAN AREA-Philadelphia, PA-NJ
YEAR ADMITTED TO BAR-Associate/Staff Lawyers
ANNUAL CLIENT (BILLABLE) HOURS WORKED**

Metro Analysis	Number of Offices	HOURS					
		Number of Lawyers	Average	Lower Quartile	Median	Upper Quartile	Ninth Decile
1992 - 1996	8	33	1,880	1,820	1,909	1,994	2,143
1997 - 2001	11	72	1,880	1,789	1,928	2,092	2,228
2002	6	14	1,831	—	1,836	—	—

**METROPOLITAN AREA-Philadelphia, PA-NJ
INDIVIDUAL STATUS CODES
TOTAL COMPENSATION**

Metro Analysis	Number of Offices	TOTAL COMPENSATION					
		Number of Lawyers	Average \$	Lower Quartile \$	Median \$	Upper Quartile \$	Ninth Decile \$
Equity Partner/Shareholder	14	167	416,768	265,553	372,552	518,184	699,603
Non-Equity Partner	14	97	200,500	162,892	193,890	232,266	274,750
Associate Lawyer	11	137	129,129	110,255	127,031	145,305	160,794
Of Counsel	5	10	172,460	—	—	—	—

**METROPOLITAN AREA--Philadelphia, PA-NJ
YEAR ADMITTED TO BAR--Partners/Shareholders (Equity/Non-Equity)
TOTAL COMPENSATION**

Metro Analysis	Number of Offices	TOTAL COMPENSATION					
		Number of Lawyers	Average \$	Lower Quartile \$	Median \$	Upper Quartile \$	Ninth Decile \$
1967 - 1971	8	16	427,226	—	429,948	—	—
1972 - 1976	10	39	407,338	232,265	346,702	471,793	640,991
1977 - 1981	11	46	403,809	267,044	376,151	524,071	721,986
1982 - 1986	14	54	372,645	203,889	310,611	497,325	682,744
1987 - 1991	13	59	249,229	181,818	217,056	287,853	347,851
1992 - 1996	11	36	199,513	163,636	190,476	216,107	282,256

**METROPOLITAN AREA--Philadelphia, PA-NJ
YEAR ADMITTED TO BAR--Associates/Staff Lawyers
TOTAL COMPENSATION**

Metro Analysis	Number of Offices	TOTAL COMPENSATION					
		Number of Lawyers	Average \$	Lower Quartile \$	Median \$	Upper Quartile \$	Ninth Decile \$
1992 - 1996	8	33	151,381	130,892	151,248	161,143	184,279
1997 - 2001	10	71	122,814	107,344	127,686	140,468	149,194
2002	6	14	110,149	—	116,218	—	—

**METROPOLITAN AREA—Philadelphia, PA-NJ
PERSONNEL RATIOS***

Metro Analysis		Ratio
Associates to Partner/Shareholders		.90
Paralegals to Lawyers		.23
Number of Firms		5

*.71 is equivalent to 71 associates per 100 partners/shareholders.

**METROPOLITAN AREA-Philadelphia, PA-NJ
PARTICIPANTS BY SIZE OF FIRM
FOR FINANCIAL ANALYSIS**

	Number of Firms	Percent of Firms
9 to 20 Lawyers	2	40.0%
41 to 75 Lawyers	1	20.0%
76 to 150 Lawyers	2	40.0%
Total	5	100.0%

**METROPOLITAN AREA-Philadelphia, PA-NJ
PARTICIPANTS BY SIZE OF FIRM
BILLING RATE ANALYSIS**

	Number of Firms	Percent of Firms
9 to 20 Lawyers	2	18.2%
41 to 75 Lawyers	3	27.3%
76 to 150 Lawyers	4	36.4%
Over 150 Lawyers	2	18.2%
Total	11	100.0%

**METROPOLITAN AREA-Philadelphia, PA-NJ
PARTICIPANTS BY SIZE OF FIRM
BILLABLE HOURS ANALYSIS**

	Number of Firms	Percent of Firms
9 to 20 Lawyers	2	18.2%
41 to 75 Lawyers	3	27.3%
76 to 150 Lawyers	4	36.4%
Over 150 Lawyers	2	18.2%
Total	11	100.0%

**METROPOLITAN AREA--Philadelphia, PA-NJ
PARTICIPANTS BY SIZE OF FIRM
COMPENSATION ANALYSIS**

	Number of Firms	Percent of Firms
9 to 20 Lawyers	2	16.7%
41 to 75 Lawyers	3	25.0%
76 to 150 Lawyers	4	33.3%
Over 150 Lawyers	3	25.0%
Total	12	100.0%

**METROPOLITAN AREA--Philadelphia, PA-NJ
PARTICIPANTS BY SIZE OF FIRM
FOR PERSONNEL RATIO ANALYSIS**

	Number of Firms	Percent of Firms
9 to 20 Lawyers	2	40.0%
41 to 75 Lawyers	1	20.0%
76 to 150 Lawyers	2	40.0%
Total	5	100.0%